



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

SPRINGFIELD USED CAR DEALER PLEADS GUILTY TO \$161,000 FRAUD SCHEME

SPRINGFIELD, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that an officer of Mr. Motors, Inc., a former Springfield used car dealership, pleaded guilty in federal court today to defrauding Liberty Bank.

John David Roper, 38, of Lebanon, Mo., waived his right to a grand jury and pleaded guilty before U.S. Magistrate Judge James C. England this afternoon to a federal information that charges him with a scheme to defraud Liberty Bank in Springfield, Mo.

Roper was an owner and the person primarily responsible for the management and day-to-day operations of Mr. Motors, Inc., used car business in Springfield from the summer of 1999 to April 2002. By pleading guilty today, **Roper** admitted that he devised a scheme to fraudulently obtain money from Liberty Bank in response to serious financial problems suffered by the business.

Mr. Motors financed the purchase of vehicles, in part, through a floor plan line of credit at Liberty Bank. Under the floor plan, Graves explained, Liberty Bank loaned Mr. Motors money to purchase inventory and in return received a first security interest in Mr. Motors' inventory. When Mr. Motors sold a vehicle, the business was obligated under the floor plan to repay the outstanding principal loan balance secured by the vehicle sold.

Beginning in the summer of 2001, Graves said, **Roper** caused Mr. Motors to sell vehicles in which Liberty Bank had a security interest without paying to Liberty Bank the outstanding principal loan balance secured by the vehicle sold. **Roper** also caused Mr. Motors to borrow money from Liberty Bank under the guise of providing Liberty Bank a first security interest in a vehicle either that Mr. Motors did not own or that already was encumbered with a person other than Liberty Bank.

Liberty Bank discovered the fraud scheme when it conducted an unannounced audit of Mr. Motors' inventory on April 1, 2002. That audit, Graves said, revealed 12 vehicles Mr. Motors had sold without paying the outstanding principal loan balance, eight vehicles Mr. Motors pledged as collateral for loans under the floor plan that Mr. Motors did not own at the time the vehicle was pledged, and six vehicles Mr. Motors pledged as collateral for loans under the floor plan that already were encumbered with a person other than Liberty Bank.

The fraud scheme, Graves said, caused a loss to Liberty Bank of \$161,312. That loss represents a \$265,400 outstanding principal loan balance that was purportedly secured by those 26 vehicles, less \$104,088 recovered by Liberty Bank.

Under federal statutes, **Roper** could be subject to a sentence of up to 30 years in federal prison without parole, plus a fine up to \$1 million and an order of restitution. A sentencing hearing will be scheduled after the completion of a presentence investigation by the United States Probation Office.

This case is being prosecuted by Assistant U.S. Attorney Douglas C. Bunch. It was investigated by the Federal Bureau of Investigation.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow